



DOUGLAS A. DUCEY
GOVERNOR

STATE OF ARIZONA
OFFICE OF THE GOVERNOR

EXECUTIVE OFFICE

March 23, 2018

The Honorable Michele Reagan
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

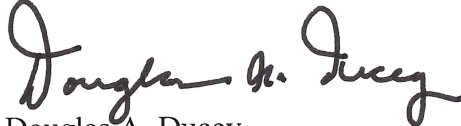
Dear Secretary Reagan:

I am transmitting to you the following bills from the Fifty-third Legislature, 2nd Regular Session, which I signed on March 23, 2018:

SB 1022 DHS; homemade food products (Farnsworth, D.)
SB 1045 home inspectors (Kavanagh)
SB 1052 county flood control districts; easements (Griffin)
SB 1063 produce safety rule; state administration (Griffin)
SB 1077 fund solicitations; charities; unlawful acts (Barto)
SB 1097 unclaimed property; notice; publication; claims (Petersen)
SB 1142 private land acquisition; committee; continuation (Griffin)
SB 1144 conservation easements; notice; valuation (Griffin)
SB 1182 conservation districts; additional directors (Griffin)
SB 1198 blind persons' rights; adoption; custody (Barto)
SB 1246 behavioral health board (Barto)
SB 1249 campaign finance violations; appeals (Burgess)
SB 1255 teachers; alternative performance evaluations (Allen, S.)
SB 1256 school bus definition; vans (Allen, S.)
SB 1412 unclaimed property; electric cooperatives; credits (Griffin)
HB 2005 public service corporations; penalties (Leach)
HB 2007 evasion; crime; personal disguises (Lawrence)
HB 2017 state land department; continuation (Mitchell)
HB 2045 acupuncture board; continuation (Carter)
HB 2124 life and disability insurance; insolvencies (Livingston)
HB 2151 joint powers; fire protection services (John)
HB 2167 Arizona commerce authority; continuation; requirements (Weninger)

HB 2180 fire district budget hearings (Coleman)
HB 2185 school districts; tax levy; calculation (Norgaard)
HB 2189 prisoners; dedicated discharge account; use (Boyer)
HB 2215 veterinary medical examining board; continuation (Barton)
HB 2256 podiatrists; examination; repeal (Carter)
HB 2331 state lottery; multijurisdictional games (Weninger)
HB 2385 property tax appeals; court findings (Clodfelter)

Sincerely,

A handwritten signature in black ink, reading "Douglas A. Ducey". The signature is fluid and cursive, with the first name "Douglas" being the most prominent.

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

Senate Engrossed

FILED

MICHELE REAGAN

SECRETARY OF STATE

State of Arizona
Senate
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 59

SENATE BILL 1412

AN ACT

AMENDING TITLE 10, CHAPTER 19, ARTICLE 2, ARIZONA REVISED STATUTES, BY
ADDING SECTION 10-2071; AMENDING SECTIONS 44-321 AND 44-329, ARIZONA
REVISED STATUTES; RELATING TO UNCLAIMED PROPERTY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 10, chapter 19, article 2, Arizona Revised
3 Statutes, is amended by adding section 10-2071, to read:

4 10-2071. Unclaimed patronage capital credits; fees; uses;
5 exemption; definition

6 A. A PATRONAGE CAPITAL CREDIT RETIREMENT PAYMENT OR FEE PAYMENT
7 FROM A COOPERATIVE TO ITS MEMBER OR FORMER MEMBER IS AN UNCLAIMED CAPITAL
8 CREDIT OR FEE IF THE CREDIT OR FEE REMAINS UNCLAIMED FOR A PERIOD OF TWO
9 YEARS AFTER THE PAYMENT WAS MADE AVAILABLE TO THE MEMBER OR FORMER MEMBER.

10 B. ALL UNCLAIMED CAPITAL CREDITS OR FEES ARE EXEMPT FROM TITLE 44,
11 CHAPTER 3, AND A COOPERATIVE MAY RETAIN OR USE ALL UNCLAIMED CAPITAL
12 CREDITS OR FEES FOR ANY LAWFUL PURPOSE.

13 C. A COOPERATIVE MAY RETAIN, USE OR ASSIGN ALL UNCLAIMED CAPITAL
14 CREDITS OR FEES FOR ANY LAWFUL PURPOSE IF THE PURPOSE IS CONSISTENT WITH
15 THE COOPERATIVE'S BYLAWS AND IS SPECIFIED BY THE COOPERATIVE'S BOARD OF
16 DIRECTORS.

17 D. THE COOPERATIVE SHALL PAY A VERIFIABLE UNCLAIMED CAPITAL CREDIT
18 OR FEE CLAIM BY A MEMBER OR FORMER MEMBER ORIGINATING ON, BEFORE AND AFTER
19 THE EFFECTIVE DATE OF THIS SECTION.

20 E. EACH COOPERATIVE SHALL MAINTAIN A SEARCHABLE LIST ON ITS WEBSITE
21 THAT CONTAINS THE NAME AND LAST KNOWN ADDRESS OF EACH MEMBER OR FORMER
22 MEMBER APPEARING FROM THE COOPERATIVE'S RECORDS TO BE THE OWNER OF THE
23 UNCLAIMED CAPITAL CREDITS OR FEES OF FIFTY DOLLARS OR MORE AND
24 INSTRUCTIONS ON HOW TO CLAIM THE UNCLAIMED CAPITAL CREDITS OR FEES. THE
25 LIST SHALL INCLUDE RECORDS FROM AND AFTER DECEMBER 31, 2001.

26 F. FOR THE PURPOSES OF THIS SECTION, "PATRONAGE CAPITAL" INCLUDES
27 ALL AMOUNTS RECEIVED BY A COOPERATIVE FROM SALES OF ELECTRIC POWER, ENERGY
28 DISTRIBUTION SERVICES OR OTHER SERVICES TO MEMBERS IN EXCESS OF THE
29 COOPERATIVE'S COST OF FURNISHING ELECTRIC POWER, ENERGY DISTRIBUTION
30 SERVICES OR OTHER SERVICES TO MEMBERS AND OTHER MARGINS AS DETERMINED BY
31 THE BOARD OF DIRECTORS OF THE COOPERATIVE.

32 Sec. 2. Section 44-321, Arizona Revised Statutes, is amended to
33 read:

34 44-321. Periods of limitation

35 A. The expiration of a period of limitation on the owner's right to
36 receive or recover property, whether specified by contract, statute or
37 court order, does not preclude the property from being presumed abandoned
38 or affect a duty to file a report or to pay or deliver or transfer
39 property to the department as required by this chapter.

40 B. AN INDIVIDUAL, CORPORATION, BUSINESS ASSOCIATION OR OTHER
41 ORGANIZATION MAY NOT ACT THROUGH AN AMENDMENT OF ARTICLES OF
42 INCORPORATION, AN AMENDMENT OF BYLAWS, A PRIVATE AGREEMENT OR ANY OTHER
43 MEANS TO DO ANY OF THE FOLLOWING:

44 1. TAKE OR DIVERT MONIES OR PERSONAL PROPERTY INTO INCOME.

1 2. DIVIDE MONIES OR PERSONAL PROPERTY AMONG PATRONS OR STOCKHOLDERS
2 THAT ARE ABLE TO BE LOCATED.

3 3. DIVERT MONIES OR PERSONAL PROPERTY BY ANY OTHER METHOD FOR THE
4 PURPOSE OF CIRCUMVENTING THE UNCLAIMED PROPERTY PROCESS.

5 ~~B.~~ C. The department shall not begin an action or proceeding to
6 enforce this chapter in regard to the reporting, delivery or payment of
7 property more than four years after the holder identified the property in
8 a report filed with the department or gave express notice to the
9 department of a dispute regarding the property. If a holder omits from a
10 report any amount of property that is properly includible and that is in
11 excess of twenty-five ~~per cent~~ PERCENT of the amount of property stated in
12 the report, the department may begin an action or proceeding to enforce
13 this chapter at any time within six years after the report was filed. If
14 there is no report or other express notice, the period of limitation is
15 tolled. The period of limitation is also tolled if the holder files a
16 fraudulent report.

17 Sec. 3. Section 44-329, Arizona Revised Statutes, is amended to
18 read:

19 44-329. Transitional provisions

20 A. An initial report filed pursuant to this chapter for property
21 that was not required to be reported before ~~the effective date of this~~
22 ~~chapter~~ JANUARY 1, 2001 but that is subject to this chapter shall include
23 all items of property that would have been presumed abandoned within ten
24 years before ~~the effective date of this chapter~~ JANUARY 1, 2001 as if this
25 chapter had been in effect during that period.

26 B. This chapter does not relieve a holder of a duty that arose
27 before ~~the effective date of this chapter~~ JANUARY 1, 2001 to report, pay
28 or deliver property. Except as provided in section 44-321, subsection
29 ~~B.~~ C, a holder who did not comply with the law in effect before ~~the~~
30 ~~effective date of this chapter~~ JANUARY 1, 2001 is subject to the
31 applicable provisions for enforcement and penalties that were in effect
32 under the prior law.

APPROVED BY THE GOVERNOR MARCH 23, 2018

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 23, 2018

Passed the House March 20, 20 18,

Passed the Senate February 15, 20 18,

by the following vote: 57 Ayes,

by the following vote: 29 Ayes,

0 Nays, 3 Not Voting

0 Nays, 1 Not Voting

[Signature]
Speaker of the House

[Signature]
President of the Senate

[Signature]
Chief Clerk of the House

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

21st day of March, 20 18,

at 2:04 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 23rd day of

March, 20 18,

at 10:33 o'clock A. M.

[Signature]
Governor of Arizona

S.B. 1412

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 23 day of March, 20 18,

at 4:43 o'clock P. M.

[Signature]
Secretary of State